

Philippine Stock Exchange index (PSEi)

7,251.97

▼ 21.55 PTS.

▼ 0.29%

FRIDAY, JANUARY 28, 2022

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P852.00 —	ACEN AC Energy Corp. P9.47 -P0.03 -0.32%	AEV Aboitiz Equity Ventures, Inc. P62.50 -P0.50 -0.79%	AGI Alliance Global Group, Inc. P12.78 +P0.02 +0.16%	ALI Ayala Land, Inc. P34.20 -P0.45 -1.30%	AP Aboitiz Power Corp. P33.80 +P1.20 +3.68%	BDO BDO Unibank, Inc. P134.00 +P7.00 +5.51%	BLOOM Bloomberg Resorts Corp. P6.08 -P0.05 -0.82%	BPI Bank of the Philippine Islands P99.30 +P4.30 +4.53%	CNVRG Converge ICT Solutions, Inc. P30.45 -P1.00 -3.18%
GLO Globe Telecom, Inc. P3,240.00 -P20.00 -0.61%	GTCAP GT Capital Holdings, Inc. P558.00 —	ICT International Container Terminal Services, Inc. P197.50 -P7.10 -3.47%	JFC Jollibee Foods Corp. P236.60 +P4.60 +1.98%	JGS JG Summit Holdings, Inc. P59.75 -P1.65 -2.69%	LTG LT Group, Inc. P9.96 -P0.08 -0.80%	MBT Metropolitan Bank & Trust Co. P57.55 -P0.45 -0.78%	MEG Megaworld Corp. P3.07 -P0.04 -1.29%	MER Manila Electric Co. P323.00 -P4.00 -1.22%	MPI Metro Pacific Investments Corp. P3.78 -P0.01 -0.26%
PGOLD Puregold Price Club, Inc. P36.50 -P0.15 -0.41%	RLC Robinsons Land Corp. P17.94 -P0.26 -1.43%	RRHI Robinsons Retail Holdings, Inc. P58.00 -P1.00 -1.69%	SECB Security Bank Corp. P105.30 +P0.20 +0.19%	SM SM Investments Corp. P939.00 -P12.00 -1.26%	SMC San Miguel Corp. P112.50 —	SMPH SM Prime Holdings, Inc. P34.20 -P0.80 -2.29%	TEL PLDT, Inc. P1,849.00 +P1.00 +0.05%	URC Universal Robina Corp. P126.00 —	WLCON Wilcon Depot, Inc. P29.75 +P0.45 +1.54%

ACEN, partner to build 420-MWp solar farm in India

AC ENERGY Corp. (ACEN) and its joint venture partner have started building their largest solar farm in India with a capacity of 420-megawatt peak (MWp) at an estimated cost of \$220 million, the Ayala-led company said on Sunday.

In a media release, the listed energy platform said the Masaya Solar project in the Khandwa District, State of Madhya Pradesh is through UPC-AC Energy Solar Ltd., its partnership with UPC Solar Asia Pacific Pte. Ltd. It will have a power output of 300 MW of alternating current.

“Though the pandemic continues to present challenges, we are confident that we will complete the construction of this solar development safely and at the earliest possible time, to contribute even more meaningfully to India’s renewable energy goals,” said Patrice R. Clausse, head of ACEN’s international group.

ACEN said UPC-AC Energy Solar is in the process of securing a 20-year loan from the State Bank of India to fund the project under a 75:25 debt-to-equity financing

scheme. The joint venture is expected to supply electricity at 2.71 Indian Rupee per kilowatt-hour (kWh) fixed over a 25-year period under a power supply agreement with the Solar Energy Corporation of India, it added.

The Masaya Solar farm, the third solar project of the joint venture company, is expected to produce 691 gigawatt hours (GWh) of clean power and avoid approximately 635,720 metric tons of carbon dioxide emissions every year. The joint venture’s latest project

is expected to generate 500 jobs during the construction phase.

In 2021, UPC-AC Energy Solar turned on its first two solar farms in India — the 140 MWp Sitara Solar and 70 MWp Paryapt Solar.

In the media release, it quoted Pranab Kumar Sarmah, chief executive officer of UPC-AC Energy Solar and co-founder of UPC Solar Asia-Pacific, as saying: “Working hand-in-hand with an extremely competent and enthusiastic team in India and beyond, I am confident that this project will stand the

test of both time and budget in this challenging COVID scenario. India is one of the world’s largest consumers of energy and producers of renewable energy. We understand the country’s urgency to increase its production of renewables to help meet the demand and support the country’s progress.”

“This landmark development will be a significant addition to the country’s renewables capacity,” the company official added.

ACEN is targeting to become the biggest listed energy platform

in Southeast Asia as it eyes to put up 5,000 MW of renewable energy capacity by 2025.

Across Asia-Pacific, it has more than 3,000 MW of attributable capacity and an 18,000-MW pipeline of renewable energy projects being developed in the region with various partners. ACEN expects around 500 MW of these projects to reach their financial close by the first quarter of 2022.

On Friday, shares in the company slipped by a centavo or 0.11% to close at P949 each. — **M.C. Lucenio**

OUTLIER

ALI inches lower amid asset-for-share deal

AYALA LAND, Inc. (ALI) dipped last week as investors took positions after its property-for-share swap deal with Ayala Corp. and Mermac, Inc.

Data from the Philippine Stock Exchange (PSE) showed a total of 31.66 million ALI shares worth P1.09 billion were traded from Jan. 24 to 28 making it the seventh most actively traded issues based on value turnover during the week.

The property giant finished at P34.20 apiece on Friday, inching down by 1.3% week on week. Year to date, the stock’s price fell by 1.4%.

“Evident in ALI’s price performance the past week is how investors were quick to take positions in ALI when news of the transaction between Ayala Corp. (AC), Mermac, Inc., and the company came out. This cements the market consensus that ALI is currently undervalued,” Regina Capital Development Corp. Equity Analyst Anna Corenne M. Agravio said in an e-mail interview.

“While price performance was slightly mixed this week, this is more of a reflection of general market sentiment as a whole rather than something fundamental and specific to ALI,” Ms. Agravio added.

Last Jan. 21, ALI approved a property-for-share swap deal worth P17.40 billion with AC and its biggest shareholder Mermac.

Under this transaction, AC and Mermac will transfer five real estate assets to ALI in exchange for 311.58 million primary common shares valued at P55.80 apiece.

“Given a significant price difference, the P55.80 might be treated as price target for long-term investors and good opportunity to accumulate while price is undervalued,” I.B. Gimenez Securities, Inc. Research Head Joylin F. Telagen said in a separate e-mail interview.

ALI’s consolidated revenues increased by 8.8% year on year to P23.66 billion in the third quarter. This brought its nine-month top line to P70.88 billion, rising by 13.5%.

During the July-September period, its attributable net income went up by 37.8% to P2.55 billion. ALI’s nine-month attributable bottom line rose by 34.9% to P8.59 billion.

Ms. Agravio sees ALI’s net income growing by double-digits for the final three months of 2021 as well as for the full-year 2022 amid “sustained uptick” in its property development revenues.

“On conservative note, I think P3-billion [net income] is fair estimate for the [fourth quarter],” Ms. Telagen said.

— **Abigail Marie P. Yraola**

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link <https://bit.ly/3o9jvrm>

Economic growth to drive cyclical sectors in equities

By Keren Concepcion G. Valmonte
Reporter

BPI SECURITIES Corp. is expecting the economy to recover before yearend, which could bode well for the equities market.

“The improving economic conditions should be supportive for Philippine equities as this should drive business activity and essentially support earnings growth,” BPI Securities Head of Research Angelo Antonio S. Torres said in a webinar hosted by the Philippine Stock Exchange on Sunday.

BPI Securities said cyclical sectors, which include property, banks, and parent firms, will

benefit “from improving macro backdrop and would outperform earnings growth this year.”

Two conglomerate stock picks are Ayala Corp. and GT Capital Holdings, Inc. due to their exposure across economic sectors as well as their “healthy balance sheet positions,” which can support the recovery of their respective subsidiaries.

Other stock picks include BDO Unibank, Inc. for bank, Universal Robina Corp. for consumer, International Container Terminal Services, Inc. for industrial, and Ayala Land, Inc. for property.

The rest are: AREIT, Inc. and Filinvest REIT Corp. for real estate investment trusts (REIT) issues, Converge Information and Communications Technology Solutions, Inc. and Globe Telecom, Inc. for telecommunications, and AC Energy Corp. and Aboitiz Power Corp. for utilities.

Banks’ net interest margins are expected to rise on the back of higher benchmark rates. Provisioning costs, which picked up due to the pandemic, are also expected to decline.

“We’re forecasting loan growth to accelerate to high single-digits for this year, but we do think that growth will be more skewed towards the second half of the year when excess liquidity eases,” Mr. Torres said.

Sectors that are seen to lead loan growth include manufacturing, telecommunications, real estate, utilities, as well as construction and transportation later this year.

Meanwhile, consumer names are seen to gain from the continued growth of e-commerce and

pent-up consumer demand, which could also benefit mall foot traffic. Increased foot traffic will also help firms heavy on brick-and-mortar stores. BPI Securities projects dine-in services to recover by early 2023.

Telecommunications issues, meanwhile, would hinge its growth momentum on the increased demand for internet connection amid the health crisis.

“Fiber will continue to drive growth for the sector,” Mr. Torres said. “It also helps that penetration rates in the country remain low. We think that remote productivity is here to stay, given that [...] the hybrid work setup will continue and hence, continue the telcos who offer this service.”

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link <https://bit.ly/32GYkKc>

New SRP list curtails retailers — supermarkets

By Revin Mikhael D. Ochove
Reporter

THE latest suggested retail price (SRP) list is hampering the freedom and growth of local retailers, according to the Philippine Amalgamated Supermarkets Association, Inc. (Pagasa).

Pagasa President Steven T. Cua said in a mobile phone message that any form of price control like the SRP list is not necessary unless there is an emergency or calamity.

“Applying a list of SRPs chokes the freedom of retailers to play with price strategies to compete and grow in the Philippine environment,” Mr. Cua said.

“Supermarkets in this country live with paper-thin margins. This is the major reason why foreign retailers have not survived or are not attracted to invest here despite the many times the Retail Trade Liberalization Act has decreased capital requirements for entering our soil,” he added.

Further, Mr. Cua said SRPs are set by manufacturers so the range of prices for a product will not drastically change.

However, he noted that it is just “suggested” since suppliers cannot force retailers to sell at prices wanted by the former.

“At this point, consumers do not seem to be aware or affected by this (SRP list) as they have more immediate concerns like health and livelihood,” Mr. Cua said.

On Jan. 27, the Department of Trade and Industry (DTI) announced the latest SRP list of basic necessities and prime commodities. The list showed that some of the products with price increases include bottled water, processed canned meat and canned

beef, instant noodles, salt, and canned sardines.

Based on the new SRP list, 66% or 143 out of 216 stock keeping units (SKUs) kept their prices while 34% or 73 SKUs hiked their prices as a result of higher production costs.

The DTI previously said that the price hikes of around 86% of the 73 SKUs varied from 1% to 9%, which were lower compared to the rates of cost movement of some raw materials.

“All requests for adjustments were carefully reviewed to ensure that prices were reasonable. The DTI made sure that the price adjustments are justified. Not allowing reasonable price adjustments despite cost increases will affect investment climate, business viability and ability to keep the jobs in their companies,” Trade Undersecretary Ruth B. Castelo said.

Meanwhile, the DTI is seeking amendments to Republic Act No. 7581 or the Price Act in a bid to deter constant violators.

Trade Secretary Ramon M. Lopez said in a television interview over the weekend that one possible amendment to the Price Act is to allow the DTI to have a stronger enforcement power over violators.

Under the Price Act, the DTI has a mandate to ensure that the prices of basic goods and prime commodities are reasonable for consumers.

“Maybe we can allow DTI to have a stronger police power in the sense that perennial violators, if the law can allow (us) to revoke their licenses,” Mr. Lopez said.

“There is reasonable mandate in the sense that we can institute fines and penalties. That’s clear. But sometimes you need stricter measures. There are recidivists, or those who often violate to the point that there is a need to revoke the license,” he added.

JOB VACANCY

40 Vacant Positions

Chinese Speaking Customer Financial Officer
Chinese Speaking Business Financial Officer
Chinese Speaking Admin Financial Officer

REQUIREMENTS:

1. At least 18 years old.
2. Proficiency in Handling customer questions about services and products.
3. Excellent Mandarin verbal Communication Skills.
4. Knowledgeable in computer.
5. Knows how to recommend potential products or services by collecting customer information and analyzing customer needs.

Interested applicants may submit their application thru email at grandeverestholdings@gmail.com

Company: GRAND EVEREST HOLDINGS INC.
Address: 16/F TOWER 6789, 6789 AYALA AVE. MAKATI CITY

JOB VACANCY

40 Vacant Positions

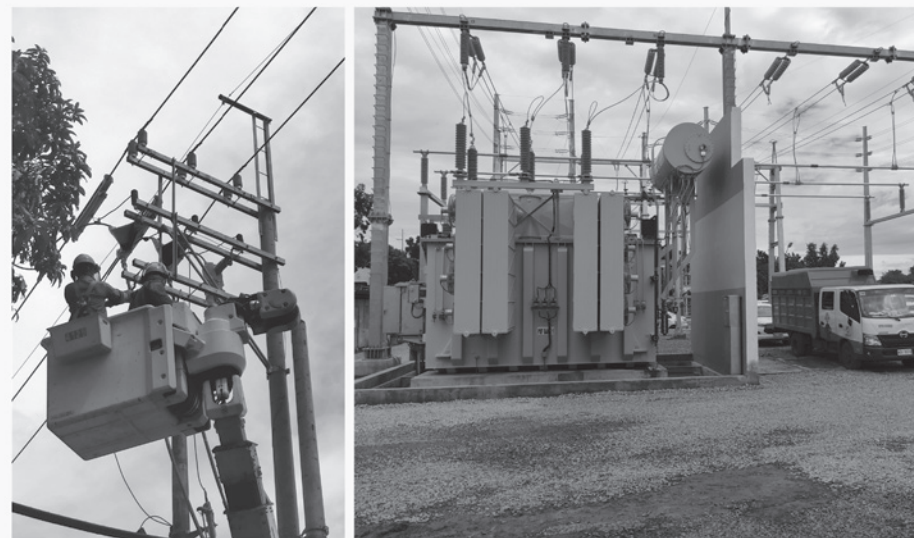
Chinese Speaking Sales Marketing Specialist
Chinese Speaking Digital Marketing Specialist
Chinese Speaking Brand Marketing Specialist
Chinese Speaking Trade Marketing Specialist

REQUIREMENTS:

1. At least 18 years old
2. Proficiency in Handling customer questions about services and products
3. Excellent Mandarin verbal Communication Skills
4. Knowledgeable in computer
5. Knows how to recommend potential products or services by collecting customer information and analyzing customer needs

Interested applicants may submit their application thru email at spritzertradingcorp2021@gmail.com

Company: SPRITZER TRADING CORP.
Address: 37F LKG Tower, 6801 Ayala Avenue, Makati City



Meralco Commissions New San Mateo Substation

Meralco recently commissioned its new San Mateo 115 kV-34.5 kV substation located along J.F. Diaz St. (formerly E. Delos Santos Road), Ampid I, San Mateo, Rizal, which relieves the critical loading of the existing Parang Bank 1 and minimizes the line exposure of Parang 412YL. Aside from providing additional capacity, this new substation also provides operational switching flexibility and helps reduce technical system loss in the area. This project shall also improve the voltage regulation in San Mateo and Rodriguez,

Rizal. Some of the customers that will benefit from this project are SM San Mateo, Manila Water Company Inc., Montalban Infirmary Hospital and the general vicinity of San Mateo and Montalban area. Despite the continued implementation of community quarantine measures or the new alert level system throughout the country due to the COVID-19 pandemic, Meralco and its subsidiaries are continuously working hard to improve its distribution system in order to provide safe, adequate, and reliable electric service to its customers.